

BEFORE THE TENNESSEE REGULATORY AUTHORITY
Nashville, Tennessee

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In Re: *BellSouth Telecommunications, Inc.'s Entry Into Long Distance
(InterLATA) Service in Tennessee Pursuant to Section 271 of
the Telecommunications Act of 1996*

TN REGULATORY AUTHORITY
DOCKET ROOM

Docket No. 97-00309

SETTLEMENT AGREEMENT

In Docket No. 97-00309, the undersigned parties and BellSouth agree to the following:

1. The record in Docket No. 97-00309 will be closed as of July 31, 2002. No party will submit any further testimony, documentary evidence, argument, briefs, or opposition in this docket for consideration of the Tennessee Regulatory Authority. All of the parties agree to submit this case to the Directors for consideration and determination on its merits based on the existing record. The parties request that the Authority hold its public deliberations at a

special session on August 26, 2002.

- The parties agree that ~~Docket No. 01-00362 shall remain open for issues related to the~~ should be closed but the undersigned parties agree that this will not prevent any party performance of BellSouth's operational support systems. This docket from filing a complaint with the TRA regarding BellSouth's OSS and in such case all parties will urge the TRA U.S.C. §271(c). No party shall file any complaint in Docket No. 01-00362 prior to entry of an order by the TRA reflecting the TRA's Complaint on an expedited basis
2. ~~Docket No. 01-00362 shall remain open for issues related to the~~ should be closed but the undersigned parties agree that this will not prevent any party performance of BellSouth's operational support systems. This docket from filing a complaint with the TRA regarding BellSouth's OSS and in such case all parties will urge the TRA U.S.C. §271(c). No party shall file any complaint in Docket No. 01-00362 prior to entry of an order by the TRA reflecting the TRA's Complaint on an expedited basis

decision whether or not to recommend approval of BellSouth's 271 application.

3. In resolution of the contested issues in Docket 01-00193, the parties will request the Authority to adopt as the "Tennessee Performance Assurance Plan" the identical service quality measurement plan and self-effectuating enforcement mechanism adopted by the Florida Public Service Commission in Docket No. 000121-TP on February 14, 2002, as it exists today and as it may be modified in the future, plus the Tennessee Performance Measurements for Special Access contained in the Order Setting Performance Measurements, Benchmarks and Enforcement Mechanisms issued in this docket on June 28, 2002, as set forth in exhibit B to that order. If the FCC adopts national special access measurements, the parties reserve the right to argue to the TRA as to whether the FCC measures should supercede the Tennessee Measurements. The parties agree that the "Tennessee Performance Assurance Plan" will become effective no later than December 1, 2002. The parties further agree that until the "Tennessee Performance Assurance Plan" is implemented, BellSouth can use, on an interim basis, the "Georgia Performance Plan" approved by the FCC in BellSouth's Georgia/Louisiana 271 application. The parties agree that the "Tennessee Performance Assurance Plan," as defined above, shall continue until at least December 1, 2003, at

which time the Authority at its discretion may conduct a review of the then-existing plan, accept recommendations from interested parties, and make any appropriate modifications.

4. The CLECs may request that the TRA open a generic contested case proceeding to address expeditiously the issue of BellSouth's provision of DSL service to CLEC voice customers and related OSS issues. BellSouth may raise any and all defenses to such complaint. BellSouth will not oppose expedited treatment of such complaint.
5. This agreement is solely for the purpose of settling this docket in Tennessee. Nothing in this agreement restricts the right of any party to take a contrary position in any other forum. The intervening parties and BellSouth agree that the fact that this case was resolved without further hearings will not be used as a basis for opposing BellSouth's Tennessee 271 application at the FCC or for criticizing the TRA's recommendation of BellSouth's 271 application at the FCC. In the event that the TRA declines to act consistently with any portion of this agreement, then the agreement shall be void and shall in no manner be binding upon any party to this agreement.

BELLSOUTH TELECOMMUNICA-
TIONS, INC.

By: [Signature]

Its: General Counsel - TTN

XO TENNESSEE, INC.

By: Withdrawn
Thy Walker

Its: attly

TIME WARNER TELECOM OF THE
MID-SOUTH, LP; NEW SOUTH
COMMUNICATIONS CORP.

By: Charles B. Welch Jr.

Its: Attorney

MCI WORLDCOM, INC.; MCI metro
ACCESS TRANSMISSION SERVICES,
LLC; BROOKS FIBER COMMUNI-
CATIONS OF TENNESSEE, INC.

By: Jos. A. Berlin

Its: Attorney

INTERMEDIA COMMUNICATIONS,
INC.

By: Withdrawn
Thy Walker

Its: attly

DIECA d/b/a COVAD COMMUNICA-
TIONS COMPANY

By: William H. Weber

Its: Vice President, External Affairs

ICG TELECOM GROUP, INC.

By: Withdrawn
Thy Walker

Its: _____

SOUTHEASTERN COMPETITIVE
CARRIERS ASSOCIATION

By: Withdrawn
Thy Walker

Its: attly

SPRINT COMMUNICATIONS, LP

NOT PRESENT
DURING HEARING
DATES

By: _____

Its: _____

QWEST f/k/a LCI INTERNATIONAL
TELECOM CORP.

By: JUST MONITORING

Its: H. AD [Signature]

BELLSOUTH LONG DISTANCE, INC.

KMC TELECOM III, INC.;
KMC TELECOM IV, INC.

NOT PARTY TO AGREEMENT;
SEE STATEMENT IN

By: Hank Anthony [Signature]
NOT REPRODUCED
PERMISSION
Its: General Counsel

By: RECORD & PAGE 7
OF THIS AGREEMENT
Its: H. AD [Signature]

COMMUNICATIONS WORKERS OF
AMERICA

NOT PRESENT DURING
HEARING DATES

By: _____

Its: _____

SBC TELECOM

By: JUST MONITORING

Its: _____

ASSOCIATION OF COMMUNICA-
TIONS ENTERPRISES

NOT PRESENT
DURING
HEARING DATES

By: _____

Its: _____

ITC^DELTACOM

By: [Signature]

Its: att [Signature]

US LEC OF TENNESSEE, INC.

~~Withdrawn~~

By: _____

Thy W. W.

Its: _____

attorney

By: _____

Thy W. W.

Its: _____

attorney

ERNEST COMMUNICATIONS, INC.

AMERICAN COMMUNICATIONS
SERVICES, INC.

~~Withdrawn~~

By: _____

Thy W. W.

Its: _____

attorney

By: _____

Thy W. W.

Its: _____

attorney

BIRCH TELECOM OF THE SOUTH,
INC.

BEFORE THE TENNESSEE REGULATORY AUTHORITY
Nashville, Tennessee

In Re: *BellSouth Telecommunications, Inc.'s Entry Into Long Distance
(InterLATA) Service in Tennessee Pursuant to Section 271 of
the Telecommunications Act of 1996*

Docket No. 97-00309

AT&T is not a party to this agreement, but AT&T will agree that this matter
may be submitted to the Authority on the current record without further
submissions or hearings.

AGREED TO:

AT&T COMMUNICATIONS OF THE SOUTH
CENTRAL STATES, LLC; TCG MIDSOUTH,
INC.

By: MA [Signature]

Its: Counsel

KMC TELCOM TAKES THE SAME POSITION AS AT&T.
KMC TELCOM III, INC. +
KMC TELCOM IV, INC.

by: H. [Signature]

ITS COUNSEL